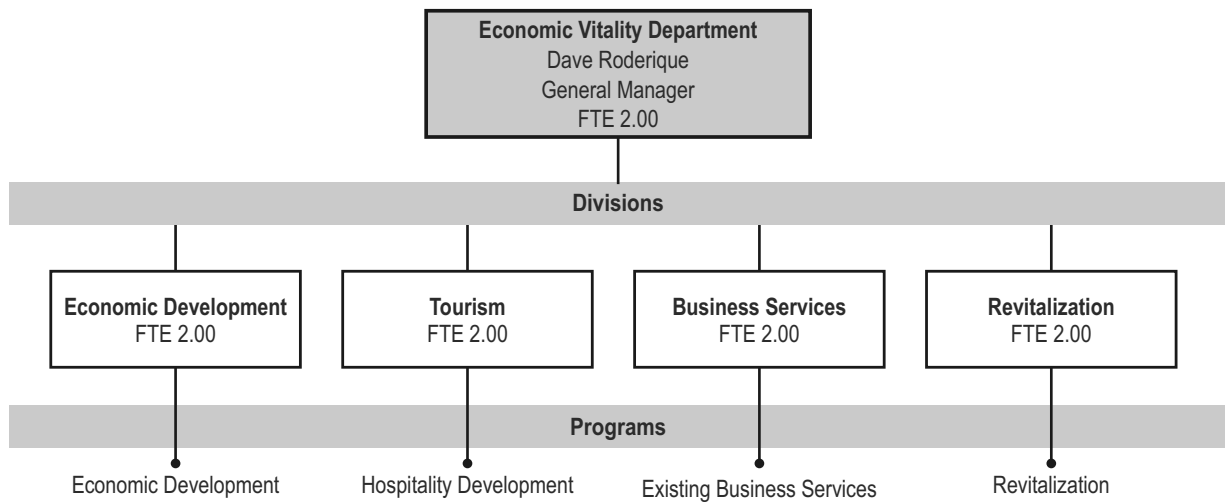


# Economic Vitality Department

## Mission

To position Scottsdale for sustainable, long-term economic vitality in order to enhance the quality of life for all residents.



### Departmental Staffing

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
Full-time Equivalent (FTE)	10.00	8.00	8.00	10.00
% of City's FTE's				0.5%

### Departmental Expenditures by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
Personal Services	\$637,133	\$723,318	\$723,318	\$835,452
Contractual Services	5,604,707	5,777,161	5,829,405	6,035,452
Commodities	21,147	13,515	13,515	17,002
<b>Total Program Budget</b>	<b>\$6,262,988</b>	<b>\$6,513,994</b>	<b>\$6,566,238</b>	<b>\$6,887,906</b>
% of City's Total Program Operating Budget				2.3%

# ECONOMIC VITALITY ADMINISTRATION

*Economic Vitality Department*

## Program Description

The Economic Vitality Administration program provides administrative services for the Economic Vitality Department.

## Trends

Given the current conditions and budget situation, the Economic Vitality Department is trying to maintain full services with fewer resources (personnel and budget).

## Program Broad Goals

Effective administration of the Economic Vitality Department.

## Program 2004/05 Objectives

Continue to be efficient in use of monetary resources. Target is to come in under budget by at least 2% this year.

Continue to effectively manage department personnel to accomplish all goals of recently adopted Economic Vitality Strategic Plan.

### Program Provided in Partnership With

City Council, City Manager, Economic Vitality Department, other City departments

### Program Customers

City Council, City Manager, Economic Vitality Department

### City Council's Broad Goal(s)

Economy

### Basic Equipment

Computers, telephones, general office equipment

### Special Equipment

None

### Resources by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
General Fund Support	\$279,385	\$279,288	\$366,271	\$289,738
<b>Total Program Revenues</b>	<b>\$279,385</b>	<b>\$279,288</b>	<b>\$366,271</b>	<b>\$289,738</b>

### Expenditures by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
Personal Services	\$185,580	\$192,292	\$192,292	\$197,116
Contractual Services	72,995	78,196	165,179	83,822
Commodities	20,810	8,800	8,800	8,800
<b>Total Program Budget</b>	<b>\$279,385</b>	<b>\$279,288</b>	<b>\$366,271</b>	<b>\$289,738</b>

**Performance Measures**

**Program/Service Outcomes: (based on program objectives)**

	<b>Actual FY 2001/02</b>	<b>Actual FY 2002/03</b>	<b>Projected FY 2003/04</b>	<b>Projected FY 2004/05</b>
Efficient budget management. Fiscal Year 2001-02 cost savings were \$133,438 (12%) below budget.	(12%)	(12%)	(5%)	(5%)

**Program Staffing**

1 Full-time	ADMINISTRATIVE SECRETARY	1.00
1 Full-time	GENERAL MANAGER	1.00
Total Program FTE		2.00

**Prior Year Highlights**

Prior Year Highlights for City programs are currently being finalized by the staff and will be included in the adopted FY 2004/05 budget.

## Program Description

The Economic Development program is responsible for enhancing the economic well-being and quality of life of the community and its residents by providing quality, useful information and responsive, effective services to targeted employers and industries, and revenue generators interested in building or expanding in Scottsdale.

## Trends

The key indicators of performance for Economic Development are indirect measures such as targeted job creation and revenue enhancement. Economic Development can only assist in this process, as the private sector must actually perform in order to achieve these goals.

## Program Broad Goals

Expand and maintain significant sales tax revenue generators for the City through the enhancement of retail sales-based businesses.

Market and recruit targeted employers and support entrepreneurs and existing businesses in order to provide sustainable employment opportunities in Scottsdale while assuring that new employer's pay scales accommodates working and living in Scottsdale and continue Scottsdale's history as a net importer of jobs.

Provide high quality, accessible market information on the Scottsdale market and Scottsdale development initiatives.

## Program 2004/05 Objectives

Market, recruit and encourage development of new retail facilities that augment and diversify the range of shopping opportunities for citizens and visitors. Work with the owners and developers of the Scottsdale Rd./Loop 101 development, and with the State Land Department on viable retail vision for Core South.

Focus attraction efforts on smaller to mid-sized companies that generate high wages, and provide minimal negative community impacts. Work with Chamber and GPEC on the recruitment of direct and appropriate support businesses for targeted industries.

Work with the technology related organizations on the development and promotion of technology, biotechnology base and associated telecommunications infrastructure in Scottsdale.

Regularly update and post economic, retail, demographic, and tourism related information via the City's Internet and in print.

## Program Provided in Partnership With

City Council, City Manager, other City departments, Chamber of Commerce, Greater Phoenix Economic Council (GPEC), Arizona Land Department, Arizona Department of Commerce

## Program Customers

City Council, City Manager, other City departments, existing and prospective businesses, other economic development and governmental agencies, general public

## City Council's Broad Goal(s)

Economy

## Basic Equipment

Computers, telephones, general office equipment

## Special Equipment

Geographic/Economic software

### Resources by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
General Fund Support	\$239,365	\$279,082	\$279,082	\$291,281
<b>Total Program Revenues</b>	<b>\$239,365</b>	<b>\$279,082</b>	<b>\$279,082</b>	<b>\$291,281</b>

### Expenditures by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
Personal Services	\$133,831	\$161,837	\$161,837	\$168,484
Contractual Services	105,278	115,603	115,603	120,248
Commodities	256	1,642	1,642	2,549
<b>Total Program Budget</b>	<b>\$239,365</b>	<b>\$279,082</b>	<b>\$279,082</b>	<b>\$291,281</b>

**Performance Measures**

**Program/Service Outputs: (goods, services, units produced)**

	<b>Actual FY 2001/02</b>	<b>Actual FY 2002/03</b>	<b>Projected FY 2003/04</b>	<b>Projected FY 2004/05</b>
Targeted job creation	Seventeen companies with 1,716 jobs created	Estimate is 15 companies with 1,500 jobs created	Estimate is 15 companies with 1,500 jobs created	Estimate is 15 companies with 1,500 jobs created
Continue to foster revenue enhancement which will be measured by the increase of sales tax revenue annually	-2%	0 %	2% plus	4% plus

**Program/Service Outcomes: (based on program objectives)**

	<b>Actual FY 2001/02</b>	<b>Actual FY 2002/03</b>	<b>Projected FY 2003/04</b>	<b>Projected FY 2004/05</b>
Targeted job creation	Seventeen companies with 1,716 jobs created	Estimated 15 companies with 1,500 jobs created.	Estimated 15 companies with 1,500 jobs created	Estimated 15 companies with 1,500 jobs created
Increase in annual sales tax revenue	-2%	0 %	2% plus projected	4% plus Projected

**Program Staffing**

1 Full-time	ECONOMIC VITALITY MANAGER	1.00
1 Full-time	ECONOMIC VITALITY SPECIALIST	1.00
Total Program FTE		2.00

**Prior Year Highlights**

Prior Year Highlights for City programs are currently being finalized by the staff and will be included in the adopted FY 2004/05 budget.

## Program Description

The Hospitality Development program is responsible for the economic well-being and quality of life of the community and its residents by strengthening the local tourism industry through a comprehensive tourism development program of tourism research, marketing and promotion, support of special events, and the development of destination attractions and tourism infrastructure.

## Trends

Negative impact on local tourism related to the events of September 11, 2001 and the national recession. Over the next year, the three major new resorts just outside of Scottsdale will continue to impact the Scottsdale hotel market.

## Program Broad Goals

Special events are one of Scottsdale's most important tourism marketing tools. Events such as the Phoenix Open, the Barrett Jackson Auto Auction, the Scottsdale Arabian Horse Show, and the Fiesta Bowl not only attract significant numbers of visitors to the area, but also provide valuable exposure to potential visitors through their media coverage.

The development of new destination attractions that are in keeping with the character of the community, and which are consistent with the industry's major "drivers" or theme (golf, western, art/culture, culinary, and participatory sports) to help broaden the market, and provide additional reasons for visitors to choose Scottsdale as their destination.

Work with the Scottsdale Convention and Visitors Bureau to find ways to maximize the limited bed-tax dollars available for destination marketing to attract our targeted visitor.

## Program 2004/05 Objectives

Facilitate the development of at least one new destination attraction such as an expanded Taliesin West Visitor Center.

Revamp the City's event promotional support program to better reflect current trends and needs.

Find ways to better explain the value of the tourism industry to the community.

## Program Provided in Partnership With

City Council, City Manager, other City departments, Scottsdale Convention & Visitor's Bureau, Tourism Development Commission

## Program Customers

City Council, City Manager, other City departments, the Scottsdale Convention & Visitor's Bureau, local tourism industry

## City Council's Broad Goal(s)

Economy

## Basic Equipment

Computers, telephones, general office equipment

## Special Equipment

None

### Resources by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
General Fund Support	\$1,006,248	\$1,081,340	\$1,131,340	\$488,331
General Fund Program Fee/Charges	\$4,458,792	\$4,400,000	\$4,400,000	\$5,385,600
<b>Total Program Revenues</b>	<b>\$5,465,040</b>	<b>\$5,481,340</b>	<b>\$5,531,340</b>	<b>\$5,873,931</b>

### Expenditures by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
Personal Services	\$61,057	\$101,898	\$101,898	\$149,324
Contractual Services	5,403,983	5,379,442	5,429,442	5,723,317
Commodities	-	-	-	1,290
<b>Total Program Budget</b>	<b>\$5,465,040</b>	<b>\$5,481,340</b>	<b>\$5,531,340</b>	<b>\$5,873,931</b>

## Performance Measures

### Program/Service Outputs: (goods, services, units produced)

	Actual FY 2001/02	Actual FY 2002/03	Projected FY 2003/04	Projected FY 2004/05
Annual percentage change of bed tax receipts	-13%	1% plus	3% plus	5% plus
Scottsdale hotel/motel average occupancy rate	59.5%	55%	57.5%	60%

### Program/Service Outcomes: (based on program objectives)

	Actual FY 2001/02	Actual FY 2002/03	Projected FY 2003/04	Projected FY 2004/05
Positive change in bed tax receipts	-13%	1% plus	3% plus	5% plus
Scottsdale hotel/motel average occupancy rate	59.5%	55%	57.5%	60%

### Program Staffing

1 Full-time	ECONOMIC VITALITY RESEARCHER	1.00
1 Full-time	TOURISM MANAGER	1.00
Total Program FTE		2.00

### Prior Year Highlights

Prior Year Highlights for City programs are currently being finalized by the staff and will be included in the adopted FY 2004/05 budget.

## Program Description

The Revitalization program is responsible for enhancing the economic well-being and quality of life of Scottsdale by encouraging continued reinvestment in the mature areas of the community in both commercial and residential properties through private entities and/or private/public partnerships.

## Trends

While there are sections of the mature portion of Scottsdale that do need assistance, much of this area remains stable and is seeing new investment. The housing appreciation rate in South Scottsdale is one of the highest in the Valley, and significant new capital investment is occurring in the residential and commercial sectors.

## Program Broad Goals

To provide information and support to private sector entities interested in investing in existing facilities, where such projects enhance the revitalization of the mature areas of Scottsdale.

To encourage private development of new commercial uses and residential communities on vacant or obsolete properties in our mature areas of Scottsdale that will support the surrounding business community.

Working within the Redevelopment Areas of Scottsdale, act as the Project Manager to bring to fruition key public projects of all sizes that can effect perception and investment in those sections of the community.

## Program 2004/05 Objectives

Negotiate a development agreement with the successful Smitty's site RFP respondent, which will need to start of construction by 2004.

Develop a strategy and begin implementation of an infill housing program in order to facilitate construction of new housing opportunities on key infill sites.

Move forward on the implementation of key revitalization strategies such as the McDowell streetscape improvements, and downtown parking.

## Program Provided in Partnership With

Other City departments, private sector

## Program Customers

City Council, City Manager, other City departments, existing and potential businesses, property owners

## City Council's Broad Goal(s)

Economy

## Basic Equipment

Computers, telephones, general office equipment

## Special Equipment

None

### Resources by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
General Fund Support	\$166,366	\$344,789	\$244,789	\$244,337
<b>Total Program Revenues</b>	<b>\$166,366</b>	<b>\$344,789</b>	<b>\$244,789</b>	<b>\$244,337</b>

### Expenditures by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
Personal Services	\$161,573	\$172,286	\$172,286	\$171,726
Contractual Services	4,712	170,855	70,855	70,963
Commodities	81	1,648	1,648	1,648
<b>Total Program Budget</b>	<b>\$166,366</b>	<b>\$344,789</b>	<b>\$244,789</b>	<b>\$244,337</b>



## REVITALIZATION

## Economic Vitality Department

### Performance Measures

#### Program/Service Outputs: (goods, services, units produced)

	Actual FY 2001/02	Actual FY 2002/03	Projected FY 2003/04	Projected FY 2004/05
Housing appreciation rates (ASU Study)	7 %	6 %	5.5%	5 %
Dollar value of new construction south of Chaparral Road	Updating #. Will have shortly.	Updating #. Will have shortly.	Updating #. Will have shortly.	Updating #. Will have shortly.

#### Program/Service Outcomes: (based on program objectives)

	Actual FY 2001/02	Actual FY 2002/03	Projected FY 2003/04	Projected FY 2004/05
Housing appreciation rates - souther part of the City	7.1 %	7 %	6 %	5.5%
Dollar value of new construction south of Chaparral Road	Updating #	Updating #	Updating #	Updating #

#### Program Staffing

1 Full-time	ECONOMIC VITALITY MANAGER	1.00
1 Full-time	ECONOMIC VITALITY SPECIALIST	1.00
Total Program FTE		2.00

#### Prior Year Highlights

Prior Year Highlights for City programs are currently being finalized by the staff and will be included in the adopted FY 2004/05 budget.

## EXISTING BUSINESS SERVICES

### Program Description

The Existing Business Services program is responsible for enhancing the economic well-being and quality of life of the community and its residents by assisting in the retention and/or expansion of the existing business base, preserving employment, maintaining, expanding, and diversifying the tax base, and reinforcing the positive economic environment of Scottsdale.

### Trends

Existing businesses create about 90% of all new jobs in the community and provide significant tax revenues to the City. Therefore, finding ways to support and enhance existing businesses is a critical part of creating long-term economic sustainability.

### Program Broad Goals

Develop an understanding of short and long-term issues affecting small and large companies and act on those issues for the mutual benefit of the community and businesses.

Create and maintain a business information database for existing Scottsdale businesses that can be used for research, trend analysis, business community composition and other efforts concerning the existing business community in Scottsdale.

Develop strategies and projects to deal with issues that require significant time and resources to resolve. Focus on Enhanced Reinvestment Areas without excluding other business areas of the City in order to stimulate public and private investment in a coordinated manner.

### Program 2004/05 Objectives

Organized an "Enhanced Reinvestment in Business Neighborhoods" (RBN) Program to coordinate and target public and private resources towards the reinvestment in key business districts.

Create an online database for small businesses covering key topics of interest for small business owners.

Develop a program to help finalize physical improvements to older commercial buildings.

### Program Provided in Partnership With

Other City departments, private sector, Chamber of Commerce

### Program Customers

City Council, City Manager, other City departments, existing businesses in Scottsdale

### City Council's Broad Goal(s)

Economy

### Basic Equipment

Computers, telephones, general office equipment

### Special Equipment

None

#### Resources by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
General Fund Support	\$112,832	\$129,495	\$144,756	\$188,619
<b>Total Program Revenues</b>	<b>\$112,832</b>	<b>\$129,495</b>	<b>\$144,756</b>	<b>\$188,619</b>

#### Expenditures by Type

	Actual 2002/03	Adopted 2003/04	Estimate 2003/04	Proposed 2004/05
Personal Services	\$95,093	\$95,005	\$95,005	\$148,802
Contractual Services	17,739	33,065	48,326	37,102
Commodities	-	1,425	1,425	2,715
<b>Total Program Budget</b>	<b>\$112,832</b>	<b>\$129,495</b>	<b>\$144,756</b>	<b>\$188,619</b>

## EXISTING BUSINESS SERVICES

*Economic Vitality Department*

### Performance Measures

#### Program/Service Outputs: (goods, services, units produced)

	Actual FY 2001/02	Actual FY 2002/03	Projected FY 2003/04	Projected FY 2004/05
# of business licenses renewed in Scottsdale	Updating	Updating	Updating	Updating
# of jobs in Scottsdale	129,000	132,000	135,000	139,000

#### Program/Service Outcomes: (based on program objectives)

	Actual FY 2001/02	Actual FY 2002/03	Projected FY 2003/04	Projected FY 2004/05
# of visits with existing businesses.	50	100	150	200
# of businesses assisted by City to make building improvements	0	5	10	20

#### Program Staffing

1 Full-time	ECONOMIC VITALITY MANAGER	1.00
1 Full-time	ECONOMIC VITALITY SPECIALIST	1.00
Total Program FTE		2.00

#### Prior Year Highlights

Prior Year Highlights for City programs are currently being finalized by the staff and will be included in the adopted FY 2004/05 budget.

